

## **Minutes of the Finance Committee**

**Wednesday, February 16, 2005**

Chair Haukohl called the meeting to order at 8:45 a.m.

**Present:** Supervisors Pat Haukohl (Chair), Bonnie Morris, Genia Bruce, Joe Marchese, Don Broesch, and Jim Behrend. Ken Herro arrived at 8:50 a.m.

**Also Present:** Legislative Policy Advisor Mark Mader, Senior Risk Management Analyst Jeff Newcomb, Risk Management Administrator Laura Stauffer, Principal Financial Projects Analyst Bob Ries, Accounting Services Manager Larry Dahl, Community Development Block Grant Coordinator Glen Lewinski, Program Assistant Nancy Mojica, Senior Financial Analyst Clara Daniels, and Budget Specialist Linda Witkowski.

### **Approve Minutes of 2-2-05**

MOTION: Marchese moved, second by Broesch to approve the minutes of February 2, 2005. Motion carried 6-0.

### **Chair's Executive Committee Report of 2-14-05**

Haukohl advised of the following issues discussed at the February 14, 2005 Executive Committee meeting.

They briefly discussed ordinance 159-O-118, also on this agenda, as it relates to Community Development Block Grant.

Internal Audit presented their report on Long Term Care Division operations. Staff found very few concerns and four recommendations were made. Haukohl felt the report was very well written and that Waukesha County runs an excellent program.

Herro arrived at 8:50 a.m.

A resolution, proposed by Supervisor Singert, will come forward with regards to a proposed bill on the State level that supports using ethanol in gas production. Both Singert and the Executive Committee are against the bill. Singert also had concerns regarding the east-west freeway expansion and zoo interchange project versus the north-south repair project. The State is ready to go ahead with the north-south project. Instead of a resolution, as proposed by Singert, a letter will be written to the State Department of Transportation from the Executive Committee asking that they stay on track with the east-west project.

### **Schedule Next Meeting Dates**

March 2<sup>nd</sup>.

### **4<sup>th</sup> Quarter Report on Claims and Worker's Compensation**

Newcomb reviewed the 4<sup>th</sup> quarter report on Worker's Compensation claims. In 2004, a total of 115 were opened and 43 remained opened at year-end. The total incurred was \$318,552. Newcomb went on to highlight some of the larger claims that had opened and those that closed.

Stauffer reviewed the 4<sup>th</sup> quarter report on general liability, auto liability, auto physical damage, and property damage claims. In 2004, 41 general liability claims were opened, 23 remained open at year-end, and the total incurred was \$78,528. Regarding auto liability claims, 13 were opened in 2004 and 3 remained open. The total incurred was \$11,158. A total of 29 auto physical damage claims were opened, 9 remained open, and the total incurred was \$52,815. Regarding property damage claims, 22 were opened, 9 remained open, and the total incurred was \$24,168. Stauffer highlighted the larger claims that had opened and those that closed.

Stauffer distributed pie charts on each claim type per department for 2000 to 2004. She said there was nothing really surprising or out of the ordinary with regards to the amount of losses per department.

MOTION: Herro moved, second by Behrend to accept the claims report. Motion carried 7-0.

### **Announcements**

Haukohl said she attended, with other County Board staff and supervisors, a legislative conference in Madison sponsored by the Wisconsin Counties Association. There were some interesting panel discussions with business leaders and state legislators. Among the items discussed were tax issues including the tax freeze. Progress by the legislature on a Taxpayer's Bill of Rights (TABOR) is moving rather slowly. They want to examine the issue closely and make sure it's done right. The majority of them agree it should not be a constitutional amendment.

Herro had heard a presentation on the Milwaukee Metropolitan Sewerage District including its history. He said once you hear the presentation, it's difficult to argue with it and it's better than the systems in many surrounding metropolitan areas. Haukohl suggested he talk to County Board Chair Dwyer and perhaps put it on a future County Board agenda as an educational item.

### **4<sup>th</sup> Quarter Report on Investments**

Ries reviewed the 4<sup>th</sup> quarter investments report as outlined. The quarterly investment return increased significantly from 0.62% to 0.79%. This increase is due in large part to the five rate increases by the Federal Reserve. Returns in the money market accounts averaged between 1.7% and 1.75% for the quarter. This is up from a low of about 0.9% earlier in 2004. Money fund balances averaged \$17.5 million in the 4<sup>th</sup> quarter, down from \$59 million in the 3<sup>rd</sup> quarter, a decrease of \$41.5 million. This is consistent with the County's historical cash flow trend. The return for the largest portfolio, Dana Investment Advisors, saw a substantial increase in the 4<sup>th</sup> quarter. The overall annualized return on investments for the County for the last four quarters was 2.65%, up slightly from the previous quarter. When gains and losses from security sales are factored out, this marks their first increase in the annualized return since the 1<sup>st</sup> quarter of 2001. Total interest earnings for the quarter was \$1,128,446, a decrease of \$44,180 from the 3<sup>rd</sup> quarter, which appears slight given the decrease in average invested balance of \$47.4 million during the quarter.

### **Ordinance 159-O-118: Transfer Carryover Funds from 2004 Unexpended Appropriations to 2005 Budgeted Appropriations**

Ries and Dahl were present to discuss this ordinance as outlined which included information on the department requesting the carry over, amount approved for carry over, project the money is tied to, and justification.

Lewinski was present to discuss that portion of the ordinance that pertained to Community Development Block Grant due to the large amount of CDBG funds being requested for carry over. Lewinski discussed this issue in detail as outlined in his handout entitled "CDBG Financial Status Report as of 12-31-04" which included information on total grant award and grant balance at year-end.

The total number of funds being requested for carry over, all departments, was \$2,391,506.

MOTION: Behrend moved, second by Broesch to approve ordinance 159-O-118. Motion carried 7-0.

**Capital Projects Cost Performance Report and Approve Closeout Reserves**

Witkowski discussed the 2004 year-end report as outlined which included information on project title, project status, original appropriation, amount expended, and balance.

Broesch left the meeting at 11:22 a.m.

It was requested that the highway project reserve account be increased \$6,000 for the CTH DR, Bark River Bridge project. This reserve account was established years ago for certain highway capital projects in which bills are received after project completion for work funded in part with federal and state aid. After the funds have been reserved the project will be closed.

MOTION: Herro moved, second by Morris to approve adding \$6,000 to the reserve account for the CTH DR, Bark River Bridge project. Motion carried 6-0.

MOTION: Bruce moved, second by Morris to adjourn at 11:40 a.m. Motion carried 6-0.

Recorded by Mary Pedersen, Legislative Associate, County Board Office.

Respectfully submitted,

Bonnie J. Morris  
Secretary